

This year saw the passage and enactment of the Affordable Care Act, a comprehensive law that reforms our health insurance system. While the past year has been filled with contentious debate, I wanted to lay out some of the specific provisions in the law that are either already in effect or will become effective in the next few months.

Provisions already in effect

Small business tax credits - Provides tax credits to small businesses to make employee coverage more affordable. Tax credits of up to 35% of premiums will be immediately available to firms that choose to offer coverage. (Beginning in 2014, the small business tax credits will cover 50 percent of premiums.)

Closing Medicare Part D coverage gap - Provides a \$250 rebate to Medicare beneficiaries who hit the "donut hole" in 2010; checks began going out in June 2010. (Beginning in 2011, institutes a 50% discount on brand-name drugs in the donut hole; completely closes donut hole by 2020.)

Immediate help for the uninsured until exchange is available - Provides immediate access to insurance for Americans who are uninsured because of a pre-existing condition - through a temporary high-risk pool. For info, visit www.healthcare.gov.

Effective September 23, 2010

No discrimination against children with pre-existing conditions - Prohibits health plans from denying coverage to children with pre-existing conditions. (Beginning in 2014, this prohibition will apply to all persons.)

Extends coverage for young people up to 26th birthday through parents' insurance - Requires health plans to allow young people up to their 26th birthday to remain on their parents'

insurance policy, at the parents' choice.

End rescissions - Bans health plans from dropping people from coverage when they get sick.

Bans lifetime limits on coverage - Prohibits health plans from placing lifetime caps on coverage.

Bans restrictive annual limits on coverage - Tightly restricts new plans' use of annual limits to ensure access to needed care. These tight restrictions will be defined by HHS. (Beginning in 2014, the use of any annual limits will be prohibited for all plans.)

Effective January 1, 2011

Free preventive care under Medicare - Eliminates co-payments for preventive services and exempts preventive services from deductibles under the Medicare program.

Ensuring value for premium payments - Requires plans in the individual and small group market to spend 80 percent of premium dollars on medical services, and plans in the large group market to spend 85 percent. Insurers that do not meet these thresholds must provide rebates to policyholders.

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